

Endowment Fund Investment Bd Endowment Investments

Description:

The basic goals of the Endowment Fund Investment Board are to provide safety of investments, increased distributions to fund beneficiaries, growth of the principal through realized gains, and to provide investment management to the State Insurance Fund.

Major Functions and Targeted Performance Standard(s) for Each Function:

1. Earnings reserve fund.
 - A. Public school.

Actual Results			
1997	1998	1999	2000
Projected Results			
2001	2002	2003	2004
36,350,565	58,901,459	80,028,018	109,651,034

- B. Pooled investments

Actual Results			
1997	1998	1999	2000
Projected Results			
2001	2002	2003	2004
16,746,959	27,136,313	36,869,466	50,516,997

2. Permanent Endowment Fund.
 - A. Public school.

Actual Results			
1997	1998	1999	2000
Projected Results			
2001	2002	2003	2004
571,510,300	593,627,749	616,601,142	640,463,606

- B. Pooled investments.

Actual Results			
1997	1998	1999	2000
Projected Results			
2001	2002	2003	2004
263,289,962	273,479,284	284,062,932	295,056,167

3. Total fund - this is the permanent corpus plus earnings reserve. Active (as opposed to buy and hold) investment management of endowment funds and the State Insurance Fund by staff investment manager, assistant managers and outside equity managers.

- A. Public school

Actual Results			
1997	1998	1999	2000
434,869,175	479,925,957	523,295,526	552,321,831
Projected Results			
2001	2002	2003	2004
607,860,865	652,529,208	696,629,160	750,114,640

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B. Pooled investments.

Actual Results			
1997	1998	1999	2000
200,568,956	218,967,796	239,638,864	256,563,333
Projected Results			
2001	2002	2003	2004
280,036,921	300,615,597	320,932,398	345,573,164

C. State Insurance Fund.

Actual Results			
1997	1998	1999	2000
352,412,773	344,852,720	315,548,582	294,039,948
Projected Results			
2001	2002	2003	2004
275,000,000	280,000,000	285,000,000	285,000,000

4. Increased distribution to fund beneficiaries.

A. Public school appropriations/distribution or estimate.

Actual Results			
1997	1998	1999	2000
26,425,000/26,864,672	29,100,000/29,978,409	31,700,000/31,844,386	33,200,000/33,336,888
Projected Results			
2001	2002	2003	2004
44,700,000/44,700,000	47,675,000/47,675,000	48,600,000/48,600,000	50,482,000/50,482,000

B. Pooled appropriations/distribution or estimate.

Actual Results			
1997	1998	1999	2000
12,225,000/12,246,373	13,000,000/13,029,935	14,040,000/14,082,812	14,740,000/15,229,512
Projected Results			
2001	2002	2003	2004
20,750,000/20,750,000	21,965,000/21,965,000	22,390,000/22,390,000	23,257,000/23,257,000

C. State Insurance Fund income earned/dividend distribution.

Actual Results			
1997	1998	1999	2000
21,373,618/53,750,000	21,081,427/61,500,000	18,147,934/41,500,000	17,200,090/33,000,000
Projected Results			
2001	2002	2003	2004
16,500,000/30,000,000	16,000,000/28,000,000	17,100,000/27,000,000	17,200,000/27,000,000

5. To provide performance report on the fund ranking.

A. Endowment fund fixed income as compared to fund in ML Universe.

Actual Results			
1997	1998	1999	2000
74	80	87	11
Projected Results			
2001	2002	2003	2004
25	25	25	25

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B. Total fund performance ranking as compared to fund in ML Universe.

Actual Results			
1997	1998	1999	2000
34	53	32	41
Projected Results			
2001	2002	2003	2004
25	25	25	25

C. To be in the 25th percentile by end of calendar year 2001.

Actual Results			
1997	1998	1999	2000
			30
Projected Results			
2001	2002	2003	2004
25	25	25	25

6. Agency cost as percent of funds under management.

A.

Actual Results			
1997	1998	1999	2000
0.000488	0.000470	0.000466	0.000624
Projected Results			
2001	2002	2003	2004
0.000543	0.000534	0.000538	0.000547

7. Cost of management by outside firm at 0.25%.

A.

Actual Results			
1997	1998	1999	2000
2,469,627	2,609,366	2,696,207	2,749,813
Projected Results			
2001	2002	2003	2004
2,774,501	2,867,768	2,964,160	3,051,299

Program Results and Effect:

The Endowment Fund Investment Board produces distribution estimates to fund beneficiaries. The Fund is constantly researching ways to maximize return to the funds under management. The ultimate effect of this program is the continued management necessary to maintain fund safety and to insure maximum return to the fund beneficiaries and people of Idaho.

Numbers for FY 2001 and beyond are based on the new variable spending policy. The State Insurance Fund estimates are purely speculative due to changes there.

1A and 1B, 2A and 2B are market values. 3A and 3B are book values through FY 2000 and market value thereafter. 3C is book value throughout.

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